

**Testimony of Mr. Robert Fledderman
Forest Resources Manager, Forest Resources Division
Westvaco Corporation**

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Introduction

Mr. Chairman, members of the committee, I appreciate the opportunity to present my testimony today on the forest industry's perspective for reauthorization of the 1998 Farm Bill. There is tremendous opportunity for the Congress to make its mark on supporting and promoting the concept of sustainable forest management in this new 21st century. My testimony today will focus on the successes and weaknesses of forestry programs that were adopted over a decade ago as well as reasons why a new Forestry Title is warranted to address the changing face of forestry.

My name is Bob Fledderman and I am Forest Resources Manager with Westvaco Corporation. Westvaco is a major manufacturer of paper, packaging and specialty chemicals, employing nearly 18,000 men and women. Westvaco owns and manages more than 1.4 million acres of forestlands in the U.S. and Brazil in adherence with the Sustainable Forestry Initiative Program (SFITM). (Our Brazilian forests are located more than 1,000 miles south of the Amazon rain forest.) These highly valued forest holdings support mill operations in six southeastern states.

Additionally, Westvaco foresters work directly with more than 2,800 private non-industrial

landowners under our own program that is designed, in part, to educate landowners about sustainable forestry. Participants in Westvaco's Cooperative Forest Management (CFM^R) program together own 1.4 million acres.

I mentioned the SFITM program and I would like to take a brief moment to describe this private sector program. It is a comprehensive system of principles, guidelines and performance measures that integrates the perpetual growing and harvesting of trees with the protection of wildlife, plants, soil, air and water quality. As of today, there are over 100 million acres enrolled in the SFI program. This is the industry's response to showing the world a higher standard by committing to the practice of sustainable forestry on its own lands and promoting these practices by further involving non-industrial landowners, loggers, consulting foresters, and company employees who are active in wood procurement and landowner assistance programs.

Congress has a tremendous opportunity to assist non-industrial private forest landowners in striving to achieve sustainable forest management as the SFI does for industrial lands. We are not asking Congress to duplicate or fund the SFI but rather to be a catalyst and major participant in promoting the concepts and ideas of sustainable forestry.

As authorized under the 1985, 1990 and 1998 Farm Bills, state foresters provide valuable technical assistance services. Our industry's perspective is unique with regard to non-industrial landowners, as approximately 75 percent of all annual forest harvests are received by the members

American Forest & Paper Association, according to the most recent information contained in the AF&PA Sustainable Forestry Initiative (SFITM) report. As such, we have a special role in encouraging and supporting programs that can broaden public and non-industrial landowner awareness regarding sustainable forestry practices.

Rationale for a Forestry Title in a 2002 Farm Bill

The 1990 Farm Bill contains the Forest Stewardship Program (FSP), the Stewardship Incentives Program (SIP) and the Forestry Incentives Program (FIP) of Title XII, among many other program authorities. In the past decade, however, dramatic shifts have taken place in forest dynamics including:

- Global competition has intensified;
- The virtual locking up of America's national forests has led to a greater dependence upon private non-industrial forest landowners to supply the necessary market and non-market commodities of timber and wood products, wildlife, water quality, community quality-of-life and other amenities;

Accordingly, annual timber harvests from non-industrial private forests have increased twenty percent between 1991 and 1996; and combined non-industrial and industrial private forests accounted for 89 percent of annual removals in 1996, up from 82 percent in 1991. This is a trend we are sure has continued.

- There has been a substantial increase in the number of individuals who own forested land, particularly in the south where ownership levels are expected to double over the next 25 years, according to the USFS;
- State forestry agencies and commissions are taking on greater environmental responsibilities and must demonstrate progress in forest resource management.

Despite these changing dynamics, direct federal assistance to non-industrial private forest landowners is a scant \$6 million through the Forestry Incentives Program, representing less than one-half of one percent of all commodity support. It is appropriate at this time to reassess the nation's commitment to sustainable forestry and determine how programs can be enhanced, and improved.

The Need for New Programs and Modifications to Existing Program Authorities

Today, only ten percent of private forest landowners use a professional forester when harvesting their timber. Education and outreach on sustainable forestry programs and practices are insufficient to meet current needs. And looking ahead, given the expected increase in the number of landowners, the nation will need upgraded delivery of forestry programs and services to reach these new owners. Congress by modernizing these forestry programs can help enable the private sector to better manage its forest lands.

The primary delivery mechanism for forestry programs is through the Forest Stewardship Program established in the 1990 Farm Bill. It is our belief that this program remains a viable and useful framework. There are two specific ways in which we believe Congress could improve the Forest Stewardship Program. First, to build the capacity of state agencies to assist forest landowners in sustainable forest management. Second, to allow programmatic delivery of technical assistance to meet the requirements of federal mandates. Specifically, we recommend that the Forest Stewardship Program be amended to provide the state foresters with authority to focus resources on priorities established through their offices and State Forestry Technical Committees. This should include authority to hire state water quality foresters, wildlife foresters, technical assistance foresters and liaison foresters to work with local communities or other state agencies engaged in forestry issues. Additionally, express authority should be given to state foresters or their equivalent to prepare grants and seek proposals from non-governmental organizations and consultants that promote and expand sustainable forestry programs on private non-industrial lands. In concert with many of the state foresters, we support increased

spending authority and appropriations for the program, as well as building-in program implementation flexibility.

As I mentioned earlier, the only forestry program providing financial assistance that is funded by the federal government is the Forestry Incentives Program (FIP). This program provides cost-share funds for tree planting, site preparation and thinning. While we believe this is an essential element of sustainable forestry, it is only a small part of the myriad of practices that together achieve sustainable management. In fact, the FIP represents less than one-half of one percent of all commodity payments. The Stewardship Incentives Program (SIP), a cost-share assistance program also authorized in the 1990 Farm Bill, was designed to enroll private non-industrial forest landowners into a program that would require written management plans. Due to a variety of federal requirements, state foresters were unable to accomplish this goal. As a result, the Forest Stewardship Program was unable to achieve the goal of enrolling 25 million acres by 1995. Given the lack of participation in the program and inability to “sell it” to landowners, Congress terminated its appropriation the past three years.

To enhance and promote all sustainable forestry practices, we believe it is now time to combine the FIP and SIP and create a comprehensive and integrated program titled the Sustainable Forestry Incentives Program (SFIP). To obtain public benefits such as clean water, drinking water, improved resource protection, enhanced wildlife habitat and encourage the practice of sustainable forest management activities, an SFIP should be flexible enough to encourage private landowners to conduct a variety of environmentally beneficial sustainable forestry practices. These practices could include:

- Obtain professional forester assistance;
- Conservation easements on lands threatened by development pressures;
- Logger education & training;
- Invasive pest control;
- Fire hazard reduction;
- Wildlife and fish habitat enhancement;
- Other activities and practices designed to promote and implement sustainable forestry

The ultimate goal of the SFIP will be to entice non-industrial private forest landowners to participate in programs and then explain the benefits and rewards of developing written management plans. We believe this type of program would need substantial financial support from the Congress.

Conclusion

An amended Forestry Title that contained these programmatic elements, new authorities and additional incentive payments will link state forestry agency programs and practices into a comprehensive effort to address forest sustainability. It will allow the state foresters to work with landowners and their fellow state agencies. It will also be useful to meet other state or federal mandates. It will provide them with the administrative flexibility to target resources; personnel and contractors to issues they believe are most urgently needed.

Other Forestry-Related Programs of the Farm Bill

From the AF&PA perspective, I have testified today on programs to improve and enhance coordination, cooperation and assistance to non-industrial private forest landowners. There are also other important titles and programs authorized in the Farm Bill that are of significant and strategic

importance to the industry including the Trade title, Conservation title, forest research including product utilization, forest inventory and analysis and forest carbon sequestration. Rather than spend time today discussing these areas, we have briefly described some of them below. At a future point, I would request that AF&PA reserve an opportunity to engage the Chairman and members of the Committee in these areas.

Forest Research Priorities

As a member of the National Coalition for Sustaining America's Nonfederal Forests, AF&PA supports a collaborative, multi-organization effort to ensure the sustainability of our nation's nonfederal forestlands through research, education, and extension.

We believe it is important to maintain and expand existing Farm Bill authorizations related to:

- **Forest Inventory & Analysis (FIA)**
The FIA program is administered through USDA Forest Service Research and provides data needed to measure forest growth, health, and other essential information needed to make resource allocation and forest policy decisions. There is widespread recognition within the forestry community of a critical need for more accurate and timely data.
- **Competitive Grants for Forest Productivity Research**
Competitive grants that require collaboration, matching funding, and peer review selection assure quality research and the most efficient allocation of limited resources. The need for pragmatic research designed to produce and measure healthier, faster growing forests far exceeds supply. Farm Bill authorizations for competitive grants focused on forest productivity in the areas of biotechnology/tree improvement, forest soil productivity, tree physiology, and forest information technology should be expanded within USDA.
- **McIntire Stennis Cooperative Forestry Research Act**
This is administered through the USDA Cooperative State Research, Education, and Extension Service (CSREES) and provides critical core funding for forestry research and for training students in forestry science at universities. Federal funding is matched more than three times by universities with state and nonfederal funds.
- **Renewable Resources Extension Act (RREA)**
This is administered through the USDA Cooperative State Research, Education, and Extension Service (CSREES) and provides the foundation for outreach and extension efforts delivered to private landowners through universities.

- **National Research Initiative Competitive Grants Program (NRICGP)**
This is administered through the USDA Cooperative State Research, Education, and Extension Service (CSREES) and provides competitive grants funding for agricultural and forestry research.